

HUNTINGTON CREEK DISTRIBUTION SYSTEM ANNUAL MEETING

FEBRUARY 28, 2008

The annual meeting of the Huntington Creek Distribution System was called to order by Craig Johansen at 4:17 p.m. Marc Stilson read the minutes from the 2007 meeting. A motion was made by Darce Guymon, and seconded by Mark Reynolds, to accept the minutes. The motion passed.

The next item of business to come before the water users was the Commissioner's Report, which was given by Mr. Brett Leamaster. He indicated that 2007 was a poor water year with water deliveries for HCIC made at 0.17 acre-foot/share. The water outlook for 2008 appears to be above average. Commissioner Leamaster read a summary of total water diverted. A motion was made by Maughan Guymon, and seconded by Lee McElprang, to accept the Commissioner's Report. The vote was unanimous. Earl Fillmore commented that Brett is doing a good job as River Commissioner. According to the NRCS Snotel data for this date, Seely Creek site was 89%. Red Pine Ridge was 119% and 115% is reported at the Mammoth-Cottonwood site.

A report from the Division of Water Rights was next on the agenda. Mr. Lee Sim discussed the water right enforcement program. Until this year, the identity of an individual who had submitted an enforcement referral to the division did not have a guarantee of confidentiality. Based upon experience with pursuing enforcement actions and on a review of the GRAMA act, the identity of an informant can be treated as a protected record and be kept confidential.

Mr. Johansen requested that Lee Sim to review the 2007 Financial Statement. Mr. Sim indicated that on January 1, 2007, there was \$6,755.65 in the Trust Account. Receipts for the year totaled \$21,220.34, which included \$15,190.00 in regular assessments, \$5,396.41 in previous assessments and penalties and \$633.93 in interest. Expenditures for the year totaled \$26,894.83. Mr. Sim apologized for an error in accounting. The \$5,600 system transfer should have been from the Cottonwood Distribution System to the Huntington Distribution System instead of the other way around. This compounded the same error made last year when \$5,500 was transferred in the same manner. Mr. Sim indicated that to correct the errors a system transfer of \$11,100 would be made in 2008 from the Cottonwood system to the Huntington system. Darce Guymon made a motion to accept the Financial Statement. Lee McElprang seconded the motion. The vote was unanimous.

Mr. Johansen indicated that the next item of business was the preparation of a budget for 2008. After some discussion, the following budget was prepared:

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| Commissioner's Salary | \$ 15,000.00 |
| Social Security | \$ 1,148.00 |
| Retirement | \$ 2,360.00 |
| Travel Expense | \$ 3,500.00 |
| State Engineer's Assessment | \$ 1,490.00 |
| Insurance | \$ 202.00 |
| Annual Report | \$ 200.00 |
| Miscellaneous | \$ 500.00 |
| Total | \$ 24,400.00 |

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Maughan Guymon made a motion to accept the budget as proposed. Earl Fillmore seconded the motion. The motion passed with a unanimous vote.

Mark Reynolds made a motion to set the assessment at \$24,000. Ted Curtis seconded the motion. The motion passed.

Mr. Johansen recommended organizing the distribution committee as the next item of business. Ted Curtis made a motion to reappoint the following committee members:

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|----------------|---|
| Sherrel Ward | Chairman, HCIC |
| Cody Allred | Vice Chairman/Industrial Representative |
| Craig Johansen | Committee Member/Lower Users |
| Mark Reynolds | Committee Member/Upper Users |

Lee McElprang seconded the motion. The motion passed with a unanimous vote.

With no further business, the meeting was adjourned at approximately 5:00 p.m.

Those present at the meeting included the following:

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| Lee McElprang | HCIC |
| Craig Johansen | Lower Huntington Creek Users |
| Maughan Guymon | Avery Ditch |
| Darce Guymon | PacifiCorp |
| Kyle Singleton | PacifiCorp |
| Mark Reynolds | CW Mining |
| Earl Fillmore | HCIC |
| Ted Curtis | HCIC |
| Rodney W. Holdaway | HCIC |
| Jerry Livingston | Huntington City |
| Lee Sim | Division of Water Rights |
| Marc Stilson | Division of Water Rights |
| Brett Leamaster | Huntington Creek River Commissioner |
| Clyde Magnuson | Cottonwood Creek River Commissioner |